

Regular Session, 2010

HOUSE BILL NO. 7

BY REPRESENTATIVES WADDELL, KATZ, AND LEGER

TAX/INCOME-INDIV/RETURN: Creates an individual income tax return checkoff for donations to the La. Chapter of the National Multiple Sclerosis Society

1 AN ACT

2 To enact Subpart AA of Part I of Chapter 1 of Subtitle II of Title 47 of the Louisiana
3 Revised Statutes of 1950, to be comprised of R.S. 47:120.85, relative to state
4 individual income tax return checkoffs for certain donations; to provide for a method
5 for individuals to donate a portion of any refund due to them to the Louisiana
6 Chapter of the National Multiple Sclerosis Society; to authorize and provide a
7 method for the making of other donations to the National Multiple Sclerosis Society
8 on the income tax return; to provide for the disposition of such donated monies; to
9 establish the Louisiana Chapter of the National Multiple Sclerosis Society Fund as
10 a special escrow fund in the state treasury; to provide for the administration and use
11 of monies in the fund; to authorize the secretary of the Department of Revenue to
12 make certain deposits into the fund; to provide for reporting; and to provide for
13 related matters.

14 Be it enacted by the Legislature of Louisiana:

15 Section 1. Subpart AA of Part I of Chapter 1 of Subtitle II of Title 47 of the
16 Louisiana Revised Statutes of 1950, comprised of R.S. 47:120.85, is hereby enacted to read
17 as follows:

1 SUBPART AA. LOUISIANA CHAPTER OF THE NATIONAL MULTIPLE
2 SCLEROSIS SOCIETY DONATION

3 §120.85. Income tax checkoff; donation for Louisiana Chapter of the National
4 Multiple Sclerosis Society

5 A.(1) Donation of Refund. Every individual who files an individual income
6 tax return for the current tax year and who is entitled to a refund may designate on
7 his current year return that all or any portion of the total amount of the refund to
8 which he is entitled shall be donated to the Louisiana Chapter of the National
9 Multiple Sclerosis Society in lieu of that amount being paid to him as a refund, in
10 which case the refund shall be reduced by the amount so designated. The
11 designation shall be made at the time of filing the current year tax return and shall
12 be made upon the income tax return form as prescribed by the secretary of the
13 Department of Revenue, hereinafter referred to as the "secretary". No donation made
14 under the provisions of this Subpart shall be invalid for want of an authentic act.

15 (2) Other Donations. Every individual who files an individual income tax
16 return for the current tax year and who owes additional income tax may, in addition
17 to payment of that tax liability, make and pay an additional donation of money to the
18 Louisiana Chapter of the National Multiple Sclerosis Society. The donation shall be
19 made at the time of filing the current year tax return and shall be made upon the
20 income tax return form as prescribed by the secretary. No donation made under the
21 provisions of this Subpart shall be invalid for want of an authentic act.

22 B. There is hereby established in the state treasury a special escrow fund to
23 be known as the Louisiana Chapter of the National Multiple Sclerosis Society Fund,
24 hereinafter referred to as the "fund". The fund is established to receive deposits of
25 donations made on individual income tax returns for the benefit of the Louisiana
26 Chapter of the National Multiple Sclerosis Society. The fund shall be administered
27 by the secretary, who is authorized to retain from monies deposited into the fund
28 amounts necessary to provide for expenses associated with its administration. The

1 secretary shall, every sixty days, remit the remaining balance of monies in the fund
2 to the Louisiana Chapter of the National Multiple Sclerosis Society.

3 C.(1) Disposition of Donated Refunds. At the time the secretary determines
4 that a refund is due on a taxpayer's income tax return upon which a designation is
5 made for a donation to the Louisiana Chapter of the National Multiple Sclerosis
6 Society, the secretary shall transfer from general collections an amount equal to the
7 amount of the donation to be deposited in and credited to the fund. This transfer
8 shall occur within one hundred twenty days of the date upon which the return was
9 received, or the due date of the return, whichever is later. The secretary shall also
10 maintain a register of the amount of each donation and the name of the donor.

11 (2) Disposition of Other Donations. At the time the secretary determines that
12 a tax return for a taxpayer who owes additional taxes contains a payment of money
13 in excess of the taxes due and a designation by the taxpayer that the additional
14 monies represent a donation to the Louisiana Chapter of the National Multiple
15 Sclerosis Society, the secretary shall transfer from general collections an amount
16 equal to the amount of the donation for deposit in and credit to the fund.

17 D. The House of Representatives Committee on Ways and Means, may, at
18 its discretion, request a report from the Louisiana Chapter of the National Multiple
19 Sclerosis Society relative to its operations. The form and content of the report shall
20 be prescribed by the chairman of the committee, but shall at a minimum contain a
21 detailed explanation of the revenues and expenditures, as well as a description of the
22 organization's activities. The committee may summon any person employed by or
23 associated with the Louisiana Chapter of the National Multiple Sclerosis Society to
24 provide testimony with respect to the report.

25 Section 2. The provisions of this Act shall be effective for taxable years beginning
26 on or after January 1, 2010.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Waddell

HB No. 7

Abstract: Provides for individual income tax checkoff for donation to the La. Chapter of the National Multiple Sclerosis Society.

Proposed law provides for an individual income tax checkoff under which an individual can donate a portion of his state income tax refund, or other monies, to the La. Chapter of the National Multiple Sclerosis Society.

Proposed law establishes the La. Chapter of the National Multiple Sclerosis Society Fund (hereinafter "fund") as a special escrow fund in the state treasury, which is established to receive deposits related to donations made on tax returns for the benefit of the La. Chapter of the National Multiple Sclerosis Society, and shall be administered by the secretary of the Dept. of Revenue (hereinafter "secretary"). From monies deposited into the fund, the secretary is authorized to retain amounts necessary to provide for expenses associated with administration of the fund. After retaining amounts deemed necessary for administrative expenses, the secretary shall, every 120 days, remit the remaining balance of monies in the fund to the La. Chapter of the National Multiple Sclerosis Society.

Proposed law provides for the determination by the secretary of amounts of donations and for corresponding deposits of money from general collections into the fund.

Proposed law authorizes the House Committee on Ways and Means, at its discretion, to request reports from the La. Chapter of the National Multiple Sclerosis Society relative to its operations. The form and content of the report shall be prescribed by the chairman of the committee, but shall at a minimum contain a detailed explanation of the revenues and expenditures, as well as a description of the organization's activities. The committee is authorized to summon any person employed by or associated with the La. Chapter of the National Multiple Sclerosis Society to provide testimony with respect to the report.

Effective for taxable years beginning on or after Jan. 1, 2010.

(Adds R.S. 47:120.85)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Ways and Means to the original bill.

1. Increased from 60 to 120 days as the time period within which the secretary of the Dept. of Revenue must transfer donations received for deposit into the La. Chapter of the National Multiple Sclerosis Society Fund.
2. Changed the tax year effectiveness from Jan. 1, 2011 to Jan. 1, 2010.

House Floor Amendments to the engrossed bill.

1. Added provision whereby a taxpayer who owes taxes may include with their payment a donation to the La. Chapter of the National Multiple Sclerosis Society Fund.